

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

TIMELINE, INC.,

Plaintiff,

v.

PROCLARITY CORP., et al.,

Defendants.

CASE NO. C05-1013JLR

ORDER

This matter comes before the court on a motion to strike portions of Defendants' supplemental expert report and to exclude testimony related thereto filed by Plaintiff Timeline, Inc. ("Timeline") (Dkt. # 292). Having considered the papers filed in support and in opposition,¹ the court DENIES Timeline's motion.

This motion arises from the court's June 12, 2007 Minute Order granting the parties' *joint* motion to conduct additional expert discovery, including the request by Defendant ProClarity Corp. ("ProClarity") to conduct additional expert discovery in light of the Supreme Court's recent decision in KSR Int'l Co. v. Teleflex, Inc., __ U.S. __, 127 S. Ct. 1727 (2007), decided April 30, 2007. While Timeline did not oppose the latter

¹ The court finds the matter appropriate for a decision based on the briefings and denies the parties' request for oral argument.

1 request, it did not join in ProClarity's request for additional expert discovery based on
2 KSR. Pursuant to the joint motion, the court granted ProClarity leave to file a
3 supplemental expert report on invalidity issues that addresses obviousness in light of the
4 KSR opinion. See June 12, 2007 Order (Dkt. # 284). In response to ProClarity's
5 supplemental report, the court gave Timeline the opportunity to depose ProClarity's
6 expert on his nonfringement report and opinions regarding obviousness in light of the
7 Supreme Court's KSR opinion. Id. The court also gave Timeline's expert additional time
8 to file a rebuttal report to address ProClarity's expert supplemental report and to
9 otherwise address invalidity issues in light of KSR. Id. Timeline now moves to strike
10 portions of ProClarity's supplemental expert report arguing that the report goes beyond
11 addressing issues related to obviousness in light of KSR and introduces new prior art
12 references not previously disclosed. Mot. at 1. ProClarity responds that KSR changed
13 the landscape of what may be considered prior art in determining obviousness and
14 therefore required that its expert consider additional prior art in his supplemental report.
15 Resp. at 3-4. Timeline's motion to strike is based on a narrow reading of KSR. The
16 court finds ProClarity's interpretation of KSR to accurately reflect the Supreme Court's
17 holding, i.e., that an obviousness inquiry is no longer restricted to consideration of
18 whether there is some teaching-suggestion-motivation ("TSM") to combine the prior art.

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21 Briefly, the Supreme Court in KSR considered the Federal Circuit's rigid
22 application of the TSM test, without considering other factors surrounding obviousness,
23 to be reversible error. 127 S. Ct. at 1741. "The obviousness analysis cannot be confined
24 by a formalistic conception of the words teaching, suggestion, and motivation, or by
25 overemphasis on the importance of unpublished articles and the explicit content of issued
26 patents." Id. The Court went on to explain that neither the "particular motivation nor the
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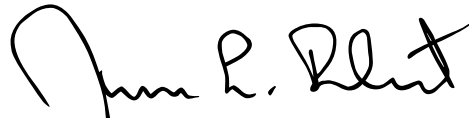
1 avowed purpose of the patentee controls;” rather, “[w]hat matters is the objective reach of
2 the claim.” Id. “One of the ways in which a patent’s subject matter can be proved
3 obvious is by noting that there existed at the time of invention a known problem for
4 which there was an obvious solution encompassed by the patent’s claims.” Id. at 1742.
5 The court therefore interprets KSR to hold that a narrow view of the applicable prior art
6 that focuses solely on the TSM analysis is erroneous. The proper analysis should take
7 into account all evidence that tends to show the patent-in-suit was obvious to a person
8 skilled in the art. Thus, the Supreme Court set forth an “expansive and flexible
9 approach” to the obviousness inquiry. Id. at 1740 (“Often, it will be necessary for a court
10 to look to interrelated teachings of multiple patents; the effects of demands known to the
11 design community or present in the marketplace; and the background knowledge
12 possessed by a person having ordinary skill in the art, all in order to determine whether
13 there was an apparent reason to combine the known elements in the fashion claimed by
14 the patent at issue.”).

17 Based on KSR’s expansion, or return, to a flexible approach to the question of
18 obviousness, the court granted ProClarity additional expert discovery to garner evidence
19 to support a broader argument on obviousness. The court finds that ProClarity’s
20 supplemental expert declaration, while adding numerous new prior art references,
21 substantially adheres to the parameters set forth in KSR. Moreover, considering that
22 ProClarity’s expert intentionally limited his analysis of the prior art based on TSM in his
23 first report, it is not surprising that once that constraint was lifted ProClarity’s expert was
24 able to identify additional prior art references. See, e.g., Das Decl., Ex. 2 (Jagadish
25 March 1 Report) at 2 (“[w]here I did not find each and every element of a claim in a
26 single item of prior art, I assumed that a claim is obvious if two or more items of prior art
27 are combined to find each and every limitation of a claim; however, I assumed that prior
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1 art can be combined only if there is a suggestion, teaching or motivation to combine the
2 prior art”). Finally, the court finds that any inequities that may have resulted from
3 ProClarity’s supplement expert report was cured because Timeline deposed ProClarity’s
4 expert after he filed his supplemental report, and because Timeline’s expert provided his
5 own rebuttal report to ProClarity’s supplemental report.
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7 For the foregoing reasons, the court DENIES Timeline’s motion to strike portions
8 of Defendants’ supplemental expert report and to exclude testimony related thereto (Dkt.
9 # 292).

10 Dated this 28th day of August 2007.

A handwritten signature in black ink, appearing to read "James L. Robart", written over a horizontal line.

JAMES L. ROBART
United States District Judge